

Circular Reference Number	ARCL/Membership/2026-27/018
Circular Date	May 07, 2026
Department	Membership

To,
All Clearing Members and Participants,

Sub: Penalty and Financial Disincentives Framework for Clearing Members and Participants

In pursuance of SEBI Master Circular No. SEBI/HO/MRD-PoD2/CIR/P/2024/00181 dated December 30, 2024 and in terms of Chapter V of the Rules of AMC Repo Clearing Limited (ARCL) on “Disciplinary Proceedings, Penalties, Suspension and Expulsion”, ARCL has put in place its Penalty and Financial Disincentives Framework and had issued a circular ref no. ARCL/Compliance/2024-25/126, dated March 05, 2025, on “Uniform penalty structure for Clearing Members and Participants”.

As part of its periodic review, ARCL has revised the penalty and financial disincentives framework for violations observed during various types of onsite and offsite inspections, other monitoring and supervision of and periodic submissions done by the Clearing Members and Participants to ARCL which is placed herewith as Annexure-I.

Clearing Members and Participants are advised to submit, within the prescribed timelines, the complete, accurate and correct information and submissions pertaining to the ongoing membership compliance requirements and responses to observations in the form of a letter/email communication received from ARCL pertaining to various compliances or inspection observations.

The revised penalty and financial disincentives framework comes into effect from the date of publishing of this circular.

All Clearing Members and Participants are requested to take note of the same and put in place systems and procedures so as to ensure adherence to the compliance requirements.

For and on behalf AMC Repo Clearing Limited

Authorized Signatory
Ajit Phanse

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Enclosure: Annexure-I